

Other ARRA HEALTH-RELATED Provisions

COBRA Health Care for Unemployed: \$24.7 Billion (Total, estimate)

- Consolidated Omnibus Budget Reconciliation Act, 1986
- Provides opportunity for workers to keep employer-based health benefits after leaving a job
- Employee typically pays 102% of premiums
- No direct state involvement
- ARRA provides a 65% subsidy for those who purchase COBRA coverage
- Possible involvement of Kansas Insurance Dept. and Department of Labor

Health Resources and Services Administration: \$2.5 Billion (Total)

- \$1.5 billion for Community Health Centers (CHCs) for construction, renovation and equipment for the acquisition of health information technology systems
- \$500 million for services provided at community health centers
- \$500 million for health professions training programs: includes \$300 million for National Health Service Corps recruitment and field activities; \$200 million for disciplines trained under provisions of Public Health Service Act (primary care, dentistry)
- Fosters cross-state licensing agreements for health professionals

Other Agency Health/Health Care Related Initiatives

- **Kansas Department of Health and Environment (KDHE):** Pandemic Flu Preparedness; Prevention and Wellness funds; Women, Infant and Children (WIC) – other environmental initiatives
- **Social and Rehabilitation Services (SRS):** Transitional Medicaid Assistance; Food Assistance – other assistance initiatives
- **Kansas Department of Aging (KDOA):** Nutrition Services; Medicaid related provisions; Prevention and Wellness Fund – other assistance initiatives



American Recovery and Reinvestment Act (ARRA) KHPA Fact Sheet on Health Related Provisions 02-18-2009

Medicaid: \$440 Million over 9 quarters 10/1/2008 - 12/31/2010

- Increase Federal Medicaid Assistance Percentage (FMAP) from 60.08% to 66.28%
- Provides additional 11.5, 8.5 and 5.5 percent increase based on change in unemployment rate
- Maintenance of Effort (MOE) requirement to neither decrease NOR increase eligibility to receive FMAP increase
- Extends moratorium for TCM, provider taxes, school based administration and transportation services through 6/30/09
- Adds moratorium on hospital outpatient services regulation through 6/30/09
- Transitional Medical Assistance (TMA) through 12/31/2010

ARRA FMAP Projections By Fiscal Year

	SFY 2009	SFY 2010	SFY 2011	Total
KHPA	56,030,789	109,652,302	64,710,265	230,393,356
Aging	21,028,902	37,860,903	22,185,177	81,074,982
SRS	33,957,299	59,566,100	34,918,598	128,443,997
TOTAL	111,016,991	207,081,304	121,814,041	439,912,336

- Exact amounts may vary, depending on Kansas unemployment rate
- Distribution of funds among agencies depends on caseload requirements
- Temporary increase in Medicaid DSH funding: ARRA increases state spending limits for disproportionate share hospital (DSH) payments by 2.5% in federal fiscal year 2009 and another 2.5% in FFY 2010, resulting in an additional \$757,000 in federal matching payments in FFY 2009 and an additional \$1.5 million in FFY 2010. Additional state match of at least \$340,000 in FY 2009 and \$680,000 in FY2010 would be required to draw down these funds.

Health Information Technology (HIT): \$19 Billion (Total)

- \$2 billion in competitive grants for funding for HIT Infrastructure
- Medicare and Medicaid incentives for providers to use HIT electronic health records (\$17 billion)
- Requires federal government to take a leadership role to develop interoperability standards by 2010 to allow for HIE
- Strengthens federal privacy and security law to protect from health information misuse
- State of Kansas well positioned for federal funding given work of the Governor's Cost Containment Commission, the Kansas HIE Commission, the Health Information Security and Privacy Collaboration, and the E-health Advisory Council -- Kansas "Roadmap" recommendations:
 - Create public-private coordinating entity: *E-health Advisory Council*
 - Provide stakeholder education: *Kansas Health Online*
 - Leverage existing resources: *KHPA has two ongoing Health Information Exchange (HIE) pilots: Sedgwick County (Medicaid managed care); KC Metro Area (state employees)*
 - Demonstrate impact of HIE and foster incremental change: *HIE pilots; challenges re: interoperability, sustainable funding, ROI*
 - Address privacy and security barriers: *Kansas HISPC initiative*
 - Seek funding from multiple sources: *Looking for foundation support for HIT/HIE and medical home model of health care delivery*
- E-health Advisory Council, agencies, stakeholders to develop plan for obtaining federal stimulus dollars